

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES

Thursday, July 10, 2008

In attendance: Ike Kimball, H&W	Ed Bowden, Labor
David Fulkerson, DFM	Don Berg, LSO
Merideth Hackney, SCO	Jim Carter, SCO

Agenda 1: Minutes

Previous minutes accepted as amended.

Agenda 2: Internal Controls.

Catherine Mumm submitted updated information for the Internal Controls policy. Committee accepted the changes. Jim will update the policy on the web.

Agenda 3: P-Card.

Steve Allison asked the P-Card policy be amended to allow P-Card purchases of gifts. Committee agreed that this should be allowed and will discuss the policy changes at next meeting.

Agenda 4: Intangible Assets.

SCO Bureau of Reporting and Review updates include GASB recommendations for intangible assets. Several minor wording and grammar changes were suggested and accepted. Don Berg will review the GASB statements to interpret their wording regarding “significant outlays for resource extraction” and to clarify the statewide policy.

Ike Kimball asked what the threshold amount was for capitalized intangible assets (it is \$5,000) and what date the GASB rules should be implemented (it is FY 2010/July 2009). The committee also concluded that the cost of enhancements to legacy products (software) would be recorded, but not the original development of the software.

SCO Bureau of Reporting and Review wrote an FAQ document that the committee asked to be included on the SCO FPAC manual Web site.

Agenda 5: Vendor vs. Sub-recipient

Don Berg presented criteria to distinguish between a vendor and a sub-recipient. They are comprised of a checklist of his own criteria as well as some from OMB Circular A-133. The prime grantee (i.e., the agency) is responsible for determining if the entity they deal with is a vendor or a sub-recipient and then builds their program and documentation based on that determination. The criteria require analysis and judgment from the agency. For example if Health and Welfare gives funds to a Heath District, Health and Welfare is responsible for determining if the Health District is a vendor or a sub-recipient. Don will forward the criteria to Jim to be put in the Federal section of the FPAC manual. Don and David Fulkerson will continue to work on the document.

Next meeting: August 14, 2008, 1:30 PM in the State Controller's Office, 4th Floor conference room A.

Agenda:

1. Capital Assets Policy - "significant outlays for resource extraction"
2. Intangible Assets FAQs – questions 24 & 26.
3. P-Card policy – allowing gifts.
4. Allowable costs for volunteers.